



COPY

Kingman, Bullhead City, AZ 86430

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October 13, 2003

2003 OCT 17 P 12 52

Roger Chantel  
10001 East Highway 66  
Kingman, AZ 86401  
928.757.9755 TEL

AZ CORP COMMISSION  
DOCUMENT CONTROL  
Arizona Corporation Commission  
**DOCKETED**

Re: **Docket No. E-01750A-03-0373**

OCT 17 2003

Dear Mr. Chantel:

DOCKETED BY *CAV*

This correspondence is in response to your letter dated October 3, 2003 in which you submitted a proposal in an attempt to negotiate a settlement pursuant to your filing a formal complaint with the Arizona Corporation Commission.

Your letter was written after Mohave Electric contacted you in an attempt to re-schedule the hearing. The hearing date of October 27, 2003 is not practical for the Cooperative as one of its key witnesses had a previously scheduled vacation. Upon advise of the Commission that we work out a couple of acceptable hearing dates between us and then submit those dates to the Commission for a final determination, you had expressed that October 27, 2003 was the only time available to you for the rest of this year. With that in mind the Cooperative encouraged an amicable resolution.

As noted in the aforementioned letter your recent request for service is for lots 65, 108, and 109, for the parties, Chantel, Grady and Banta respectively. This differs slightly from the request in your complaint, which was for lots 66, 108, and 109 for the same parties. Nevertheless, lots 65 and 66 are adjacent to each other and do not seem to make a material difference in the estimated costs.

Let me remind you that Mohave Electric is held to comply with all of the rules and regulations as set out by the Commission, state and federal law and further organizational guidelines based on sound business practices. You propose in your letter that even though Sunny Highlands is an abandoned subdivision that your three lots are not considered a subdivision for installing electrical service in accordance with Arizona Administrative Code, Title 14, Chapter 2, 201-34, which states, "Residential subdivision development." Any tract of land which has been divided into [four] 4 or more contiguous lots with an average size of [one] 1 acre or less for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.

The County Assessor's records show that your three lots are one acre or more and therefore fall outside of the definition for "Residential subdivision development." You do admit in your letter that Sunny Highlands is an



abandoned subdivision. Therefore, it stands to reason that Mohave Electric has correctly applied Service Rule and Regulation Subsection 107-D to your application for a line extension. This Rule was written and approved in 1994 to address instances such as yours, where a developer has abandoned a subdivision development prior to the construction of electrical "backbone" distribution facilities. Application of this rule gives the applicant (that is not a "developer") an extended refunding period (from 3 years to 7 years).

Mohave Electric assesses no fees that are not approved by the Arizona Corporation Commission and Mohave Electric treats all existing members (old and new) in similar situations the same according to its rules and regulations.

Please let us know when you have determined availability for at least two possible hearing dates on your calendar. Thank you.

Very truly yours,  
**Mohave Electric Cooperative, Inc.**

By:   
Susan G. Trautmann, Esq., as its In-House Counsel

TEL: 928.763.4115  
FAX: 928.763.3315

**ORIGINAL** and 14 copies (with self-addressed stamped envelope for receipt of file copy) mailed this 14<sup>th</sup> day of October 2003, to:

Teena Wolfe, Administrative Law Judge  
ARIZONA CORPORATION  
COMMISSION  
Utilities Division  
1200 West Washington  
Phoenix, AZ 85007  
*Administrative Law Judge*

**COPIES** of the foregoing mailed this 14<sup>th</sup> day of October 2003 to:

Christopher Kempley, Chief Counsel  
Legal Division  
ARIZONA CORPORATION  
COMMISSION  
Utilities Division  
1200 West Washington  
Phoenix, AZ 85007

Ernest G. Johnson, Director  
ARIZONA CORPORATION  
COMMISSION  
Utilities Division  
1200 West Washington  
Phoenix, AZ 85007